

DEPARTMENT OF MANAGED HEALTH CARE
TITLE 28, SECTION 1300.86
ASSESSMENT OF ADMINISTRATIVE PENALTIES

§ 1300.86. Assessment of Administrative Penalties.

(a) When assessing administrative penalties against a health plan the Director shall determine the appropriate amount of the penalty for each violation of the Act based upon one or more of the factors set forth in subsection (b).

(b) The factors referred to in subsection (a) include, but are not limited to the following:

(1) The nature, scope, and gravity of the violation;

(2) The good or bad faith of the plan;

(3) The plan's history of violations;

(4) The willfulness of the violation;

(5) The nature and extent to which the plan cooperated with the Department's investigation;

(6) The nature and extent to which the plan aggravated or mitigated any injury or damage caused by the violation;

(7) The nature and extent to which the plan has taken corrective action to ensure the violation will not recur;

(8) The financial status of the plan;

(9) The financial cost of the health care service that was denied, delayed, or modified;

(10) Whether the violation is an isolated incident; and/or

(11) The amount of the penalty necessary to deter similar
violations in the future.

NOTE: Authority cited: Sections 1341, 1344, and 1386, Health and Safety
Code. Reference: Section 1386, Health & Safety Code.